Information Technology Investment Review Board Charter

PURPOSE: The Information Technology Investment Review Board (ITIRB) of the Office of the Director (OD) fills requirements set forth in the OD Capital Planning Investment Control (CPIC) Guidelines.[1] The ITIRB is the official reviewing body for all moderate (high) and major OD information technology (IT) initiatives and expenditures to:

- Ensure OD IT resources support the mission of the OD

- Promote the life cycle management of IT systems as "capital investments"

- Ensure the approval of OD IT system projects are based on established selection criteria

RESPONSIBILITIES: The OD ITIRB will have the following responsibilities:

- Review, evaluate, approve/disapprove IT system projects meeting the selection criteria

- Make funding recommendations to the OD Director

- Establish review schedules for all projects that meet established selection criteria

AUTHORITY: The OD ITIRB will have the authority to recommend:

- Multi-year funding for approved OD IT systems

- Changes to proposed system development initiatives when necessary

- Termination of (or changes to) projects demonstrating unacceptable risk/progress

- Termination of a project circumventing the CPIC process

- Rejection of any project not meeting the Decision Process

MEMBERSHIP: The OD ITIRB membership will include four permanent members, four rotating OD members, and one rotating IC member.

- The four permanent members are:
    - ➤ Executive Officer, Chair
    - ➤ OD Chief Information Officer (CIO)
    - ➤ OD/EO Finance and Budget Policy Management Director
    - ➤ OD Acquisition Manager
- The four rotating members will include:
    - ➤ OD Information Technology Management Committee (ITMC) Chair
    - ➤ Three OD Office Directors
- One Office Director or designee from an IC other than OD.

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[1] http://irm.cit.nih.gov/itmra/nihcpicpolicy.doc

- Rotating members will be selected for a term not to exceed three years by the Chair.

    Note: If an Office Director is the "owner" of the proposed system development, he/she must recuse himself/herself from the review process, and the Chair will designate the appropriate replacement.

ROLES AND RESPONSIBILITIES:

- Chair:

    ➤ The OD ITIRB Chair will appoint the Office Directors to the ITIRB and submit the Corrective Action Plan (CAP) to the OD Director and NIH CIO. The Chair also submits the recommendation of the ITIRB to the OD Director.

- CIO:

    ➤ The OD CIO is responsible for identifying IT Investments for review,, specifying the level of review and tracking and reporting on the those investments. The OD CIO is also responsible for providing training and information dissemination to OD staff on the CPIC process, developing, implementing, maintaining, documenting, and reporting to the OD EO on compliance with NIH CPIC policy and guidance.

- Executive Sponsor:

    ➤ The Executive Sponsor has ultimate responsibility for ensuring the success of the IT investment. The executive sponsor is a senior manager in the OD, NIH, or HHS.

- Project Manager:

    ➤ The success of the CPIC process depends upon good project management practices throughout the life of the investment. The project manager is responsible for successful management and completion of the IT investment. For major IT investments, project managers must be assigned full time to the project and have project management qualifications and training that meet OMB requirements.   Project Manager Qualifications are specified in OMB Memorandum M-04-19 or its updates and HHS implementation guidance (see http://irm.cit.nih.gov/itmra/CPIC.html) for continuing updates.

- Critical Partners:

    ➤ Critical partners are subject matter experts who provide program area support to project managers and other key CPIC stakeholders. Their expertise includes the following program areas: acquisition, enterprise architecture, budget, finance, security, privacy, and human resources. Each area has specific review criteria, which form the basis for the critical partner sign-off sheets. Those review criteria are updated at least once a year, before the start of the select phase. Other critical partner program areas, such as

performance management and strategic planning, may be included in the CPIC process as needed.

- OD Director:
  - ➤ The OD Director makes the final decision on the OD IT investment portfolio.

MEETINGS: The OD ITIRB Chair will ensure the scheduling of meeting required and/or requested by the OD ITIRB.

PROCESS: The ITIRB will establish procedures for documentation, review, and approval of IT system initiatives that are critical to accomplishing the OD mission or meeting federal requirements for review.

- The Executive Sponsor of the proposed system initiative will:
  - ➤ Notify the CIO prior to the Request for Proposal (RFP) or acquisition
  - ➤ Complete and return to the CIO the ITIRB project proposal, based on requirements detailed on the OD IT Website , http://oit.od.nih.gov
- The ITIRB will follow the four major phases identified in the OD CPIC process:
  - ➤ **Pre Select Phase**
    - ▶ Purpose and Overview of Project
    - ▶ Documentation Requirements
    - ▶ Proposal Review
    - ▶ Decision Process - The reviewing authority recommends the next steps and provides a list of concerns or issues to be addressed by the executive sponsor and project manager. A positive recommendation for the investment authorizes the executive sponsor and manager to develop the business case for the select phase. The decision to proceed to the next phase is based on evaluating the following documentation requirements:
      - **Minor (<$100,000) and Moderate – Low (≥$100,000 to < $1,000,000) IT Investments.**
        - Completion of the OD IT Investment Criteria.
        - Completion of the OD IT System Description and Boundaries.
        - Completion of a Memorandum of Understanding (MOU).
      - **Moderate– High (Investment ≥ $1,000,000 to < $3,000,000)IT Investments**
        - Description of the mission requirements that the investment supports.

- The gaps it will address and the proposed solutions for filling those deficiencies.

- The alternatives that were considered.

- The high-level milestones.

- Description of the NIH Enterprise Architecture compliance approach, i.e., filing for compliance, self-certification, or exception; a plan for identifying and mitigating risks.

- The funding required to develop a business case.

- A list of the development and operational costs of the investment to include four years, if applicable; and the potential quantifiable benefits (developed through a cost-benefit analysis) that the investment will provide to the OD, NIH, HHS, and other entities.

- **Major or Tactical Investments ($\geq$ \$3,000,000 to $\geq$ \$5,000,000) or Meeting other NIH and HHS Criteria**

  - Description of the decision making process is the same as described for Moderate – High IT investments; but an additional reviewing authority may be required when the investment is over \$3 million in one fiscal year.

➤ **Select Phase**

▸ Project Purpose and Overview

▸ Documentation Requirements

▸ Business Case Review

▸ Review and Recommendation Process

▸ Decision Process - The OD Executive Officer determines the IT investment portfolio and the investment priorities, in consideration of the OD ITIRB and the OD CIO recommendations. Part of the decision-making process includes evaluating and approving (or disapproving) project's for selection based on the fulfillment of documentation requirements for a thorough Business Case Review that includes:

- **Minor to Moderate –Low IT Investments**

  - Completion of the OD IT Investment Criteria.

  - Completion of the OD IT System Description and Boundaries.

  - Completion of a Memorandum of Understanding (MOU).

- **Moderate High IT Investment**

  - A business case that presents an overview of the investment that includes the following:

  - (i) Expected annual costs and outlays through the budget year and 4 years past the budget year.

(ii) A description of the mission requirements that communicates the need for the investment in terms of the gaps that it will address and the HHS, NIH, and/or OD goals that it supports.

(iii) The qualifications of the Project Manager and the composition of the project team (including the involvement of stakeholders).

(iv) The alternatives considered (minimum of three); the rationale for the selected alternative; the quantitative and qualitative benefits the selected alternative will provide to the OD, NIH, HHS, and other entities; the results of the cost-benefit analysis for the selected alternative covering the budget year through 4 years afterward and the annual cumulative net present value.

(v) The performance measures used to measure success and document the benefits attributable to the investment.

(vi) A plan for monitoring and mitigating risks.

(vii) An acquisition strategy.

(viii) A project plan that indicates the milestones and associated costs.

(ix) A statement addressing the NIH Enterprise Architecture compliance approach, i.e., filing for compliance, self-certification, or exception. A discussion indicating how the investment is consistent with the NIH target enterprise architecture.

- **Major or Tactical Investments or Meeting other NIH and HHS Criteria**

  - All of the above requirements; and

  - A completed Exhibit 300 in the DHHS portfolio management system, Prosight.

- **OD CIO and ITIRB Review and Recommendation**

  - The OD CIO reviews the comments, recommendations, and background documentation from the ITIRB and seeks to resolve any issues that arose during the reviews. The OD CIO annually prepares and forwards the preliminary IT investment portfolio and recommendations regarding any issues that have not been resolved to the OD Executive Officer.

- **OD DIRECTOR Review**

  - The OD Director makes the final selection of the IT investment portfolio. If the OD Director, NIH, HHS, or OMB takes any actions that changes the IT investment portfolio, the OD EO reviews the portfolio's development process to make any and all necessary modifications. The selection of the right mix of IT investments leads to the control phase of the CPIC process.

➤ **Control Phase:**

- ‣ Purpose and Overview

- ‣ Review and Approval Process for Moderate – High & Major IT Investments

- ‣ Review and Approval Process for Minor – Moderate Low IT Investments

- ‣ Control Phase Review Schedule

- ‣ Review the project status of the operational system to ensure that baseline performance measures are met as indicated in the select phase of the approved proposal.

- ➤ **Evaluate Phase:**

  - ‣ Purpose and Overview

  - ‣ Review Process for Moderate – High & Major IT Investments

  - ‣ Schedule for Post-Implementation Reviews

  - ‣ Validate the estimated benefits and costs to ensure a positive return on investment (ROI).

  - ‣ The recommendation to continue, modify, or terminate the investment is supported by data.

SELECTION CRITERIA

- • The Selection Criteria will be reviewed annually, and revised, by the ITIRB, as needed.

- • An inventory of planned and ongoing major IT projects will be maintained by the CIO

- • Selection for review of the IT initiatives by the OD CIO, ITIRB, NIH CIO , or NIH CPIC Review Board is dependent on

  - ➤ Meeting the following annual dollar limits:

    - ‣ Any OD system with an annual cost under $100,000 will be

      - – Reviewed by the CIO or Designee

      - – Not reviewed by the ITIRB

    - ‣ Any OD system with an annual cost of $100,000 to $1,000,000 will be

      - – Reviewed by the OD CIO

      - – Not reviewed by the ITIRB

      - – Any OD system with an annual cost of $1,000,000 to $3,000,000 will be reviewed by the ITIRB

    - ‣ Any OD system with an annual cost of $3,000,000 and above will be

      - – Reviewed by the ITIRB, NIH CIO, and NIH CPIC Review Board

DECISION FACTORS

A decision by the ITIRB to move forward with the evaluating process is determined by the following critical (C) and major (M) factors:

- Is the required documentation complete? (C)

- Is there a business need for this investment? (C)

- Does the system address the business needs of the organization? (C)

- Are the system requirements adequately defined? (M)

- Does the planned hardware and software meet the established OD IT architecture standards? (M)

- Is the cost benefit analysis complete and reasonable? (M)

- Does the proposal address security controls? (M)

- Is there an existing NIH system that would satisfy this business need?(M)

- Are system performance measures clearly defined and reasonable? (M)

DECISION PROCESS

➤ If all Decision Factors have been addressed

▸ The Proposal is evaluated for approval

➤ If one major factor is negative and/or missing,

▸ The Executive Sponsor must submit a

– Letter of Intent for addressing the discrepancy, or

– Letter of Justification as to why the factor cannot be met

Note: The application evaluation process continues, however the approval process is suspended until the issue is resolved.

➤ If one critical factor or two or more major factors are negative and/or missing, the proposal is

▸ Automatically disapproved and returned to the Executive Sponsor with justification

APPROVAL PROCESS

- ITIRB decision to approve or disapprove is determined by the OD IT Investment Evaluation Criteria results.

- After scoring the five sections of the OD IT Investment Evaluation Criteria Sheet, the approval/disapproval is based on the following::

➤ Any evaluated criteria yielding a score of zero in any selection will result in automatic disapproval

▸ Disapproval – ITIRB will return the project proposal to the Executive Sponsor with reasons for disapproval.

➤ The ITIRB will establish an approval threshold for applications satisfying the Decision Process.

▸ Approval – ITIRB will notify the Executive Sponsor of approval recommendation and forward the proposal and recommendations to the OD Director for funding and implementation.